

Keith D. Kinard Executive Director

.

January 16, 2007

VIA TELEFAX & REGULAR MAIL

Mr. Tony Gomes, President Tony Gomes Construction, Co., Inc. P.O. Box 86 Harrison New Jersey 07029

Re: NJ39-P002-053

Dear Mr. Gomes:

This letter will serve to clarify my letter to you dated January 4, 2007. Be advised that the Authority retained the services of the Armand Corporation to act as its Construction Manager with regard to the above captioned development. As such the Armand Corporation is the "eye and ears" of the Authority.

More specifically. Armand is to make on-site inspections on a daily basis to determine conformity with plans and specification and quality of work being executed. They are to initiate the punch list inspection process and prepare a list of incomplete or defective work. The Construction Manager advises the Authority when they believe that construction is complete and the project is ready for a construction closing. To date, the Armand Corporation has not recommended a closing with regard to the 38 units.

In accordance with the terms of the Turnkey Contract of Sale and the Construction Management Services Contract for this development, the Authority will not proceed to closing until the Armand Corporation recommends said action. Based upon the foregoing, I recommend that you initiate discussions with the Armand Corporation since they are on site daily. Further, your company should take whatever efforts are needed to meet the established standard for closing.

With regard to your assertion that delay charges will be invoiced to the Authority, I must once again remind you that the Authority is required to adhere to the Turnkey Contract of Sale. This Contract does not allow the Authority to recognize these delay charges

Nadirah Brown

Gloria Cartwright Treasurer

Nancy Perez

especially when our Construction Manager has stated that your project is not ready for closing.

This will be my final correspondence to you with regard to this matter. All future communications should be handled through the Authority's representative, the Armand Construction Company. If you are having difficulties with the daily on-site personnel you may contact the president of the Armand Corporation, Ms. Barbara Armand ber contact information is as follows:

Barbara Armand, President 815 Garden Avenue Cherry Hill, New Jersey 08003 (856) 489-8200 ext. 36 Ph (856) 816-4556 Cell (856) 489-8212 Fx barmand@armandcopr.com

By copy of this letter, I am instructing Ms. Armand to meet with your company representatives to outline the requirements that must be met before they recommend a construction closing to the Authority. Your immediate attention to this matter is greatly appreciated.

Sincerely, Same Souce

. . . .

Karen McLane Torian Chief Asset Development and Preservation Officer

Cc Hon. Dickinson R. Debevoise, U.S. District Court Mayor Cory Booker, City of Newark Keith D. Kinard, Executive Director of the NHA Diane Johnson, HUD Barbara Armand, Armand Corp. Luis Quintana, Newark Council Member-at-Large Augusto Amador, Newark Council Member, East Ward Oscar S. James II, Newark Council Member, South Ward Carlos Gonzalez, Newark Council Member-at-Large Gus Heningburg, Gustav Heningburg & Associates John Casey, Esq., Wolff & Samson Ellen Michelle Harris, Esq., NHA Morris Warner, NHA Pablo Fonseca, Chief of Staff, Mayor's Office, City of Newark LaMark Tillery, NHA Sheila M. Dennis, General Manager, TGCCI